

## Houston's Credit Ratings

The credit rating is a financial indicator for potential investors in debt securities. Ratings are assigned by credit rating agencies, primarily Moody's, Standard & Poor's and Fitch Ratings. Credit rating agencies registered with the SEC are "nationally recognized statistical rating organizations" (NRSRO's). Ratings have letter designations, such as AAA, B, CC, which represent the quality of a bond.

Ratings as of May 20, 2013

Department	Description of Security	Fitch	Moody's	Standard & Poor's
City	Ad valorem tax-backed bonds	AA	Aa2	AA
CUS	Water & Wastewater System Junior Lien (Prior Lien)	<del>AA+</del> <del>AA</del>	Aa1	AA+
CUS	Combined Utility System First Lien	<del>AA</del> <del>AA</del>	Aa2	AA
Airport	Senior Lien	Not Applied For	Aa3	AA-
Airport	Subordinate Lien	A+	A2	A
C&E Department	Hotel Occupancy Tax and Special Revenues	Not Applied For	A2	A-

Underlying ratings only.

Generally, the City of Houston engages two rating agencies for each issue, not always three, and not always the same two, so that not all rating agencies rate each and every issue.

Please consult the rating agencies themselves (see Helpful Links) for the agencies' descriptions of what their ratings are.